

## SUBCONTRACT FOR SERVICES

THIS SUBCONTRACT FOR SERVICES (the “Agreement”) is entered into this 27<sup>th</sup> day of March, 2017, between Allied Universal Security Services LLC (“Allied Universal”) having an address of 229 W. 36<sup>th</sup> St., 12<sup>th</sup> Fl., New York, NY 10018, and Overwatch Services, LLC having an address of 240 W. 139<sup>th</sup> Street, New York, NY 10030 (“Subcontractor”).

### W I T N E S S E T H:

WHEREAS, Subcontractor is a licensed provider of security officer services under the laws of the State of New York;

WHEREAS, Allied Universal has entered into a contract dated April 1, 2017 (the “Client Contract”) with the MTA Bus Company (the “Client”) for the furnishing of security officer services (“Services”);

WHEREAS, Allied Universal desires to engage Subcontractor to perform certain services under this Agreement as an independent contractor of Allied Universal (“Subcontractor Services”) at the service location(s) identified on Exhibit “A” attached hereto; and

WHEREAS Subcontractor desires to accept such arrangement with Allied Universal on the terms and conditions set forth herein.

NOW, THEREFORE, for and in consideration of the above and the mutual covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

#### ARTICLE 1 - CONTRACT DOCUMENTS.

- (a) The Contract Documents consist of the following:
  - (i) This Agreement, including all exhibits and attachments hereto;
  - (ii) The terms and conditions of the Contract between Allied Universal and Client (“Client Contract”), including all exhibits, attachments, general, supplementary and special conditions, amendments, modifications and all other documents forming or by reference made a part thereof, and Subcontractor shall be bound by same as further provided in Article 10;
  - (iii) Changes in the Services, and
  - (iv) Performance and Payment Bonds, to the extent required hereunder.
- (b) Subcontractor, by signing this Agreement, acknowledges that it has independently assured itself that the Client Contract and all of the Contract Documents have been available to it and confirms that it has examined all such documents and agrees that all of the aforesaid Contract Documents shall be considered a part of this Agreement by reference thereto and Subcontractor agrees to be bound by the terms and provisions thereof so far as they apply to the Subcontractor Services.

ARTICLE 2 – SCOPE OF SUBCONTRACTOR’S SERVICES.

(a) Allied Universal hereby retains Subcontractor, and Subcontractor hereby accepts engagement by Allied Universal, to perform the Subcontractor Services set forth in Exhibit “A” attached hereto and made a part hereof, throughout the Term (as defined below) of this Agreement on a non-exclusive basis. At any time, with notice to Subcontractor, Allied Universal may change, modify, designate, increase or reduce such Subcontractor Services. Subcontractor shall furnish, at its own cost and expense, all labor, supervision, materials, tools, supplies, insurance, equipment and all other items necessary or required for the complete and continued performance of the Subcontractor Services, whether or not identified in Exhibit “A”.

(b) In performing the Subcontractor Services, Subcontractor and any of its employees shall comply with the performance specifications set forth in Exhibit “A”, the applicable Articles of the Client Contract as more fully described in Article 10 of this Agreement, and all rules, regulations and post orders which are hereafter provided or developed for the Subcontractor Services (collectively, the “Performance Specifications”). Subcontractor shall take every reasonable precaution against injuries to persons or damage to property, and for the safety of persons engaged in performing the Services.

(c) If Allied Universal or Client allows any Subcontractor employee to use any lockers or other storage areas at any of the service locations, Subcontractor acknowledges and agrees that such employee shall have no right of privacy in connection with those lockers or other storage areas, and that same may, at any time and without notice, be opened and searched by or at the direction of Allied Universal or Client.

ARTICLE 3 - COMPLIANCE WITH LAWS.

(a) Subcontractor shall be responsible for compliance with all applicable federal, state and local laws, ordinances, rules and regulations and orders of public authorities, including those enacted for the safety of persons or property, all reporting requirements of government entities and all licensing requirements of any applicable jurisdiction (and the laws and regulations of any other country that may be applicable with respect to its operations hereunder), including, but not limited to, the Family Medical Leave Act, Fair Labor Standards Act, Civil Rights Act of 1964, as amended, Immigration Reform and Control Act, Federal and State minimum wage laws and regulations, living wage laws and regulations, Employment Retirement Income Security Act of 1974, as amended, Americans with Disabilities Act of 1990, as amended, Occupational Safety and Health Act, Age Discrimination in Employment Act, Internal Revenue Code, National Labor Relations Act and other Federal and State labor laws, collective bargaining agreements and all State worker’s compensation, unemployment compensation, wage and hour, and income tax laws. Subcontractor shall be solely responsible to identify all such rules, laws, ordinances, codes, directives, guidelines, and regulations and to determine their consequences for the Subcontractor Services and all steps needed to comply. Subcontractor shall promptly provide Allied Universal, upon its request, copies of any licenses, permits, certifications and documentation evidencing its compliance with this Article.

(b) To the extent applicable, the following clauses are incorporated by reference into this Contract, and Subcontractor agrees that they shall abide by the requirements of such clauses:

- ☐ the Equal Employment Opportunity Clause required under Executive Order 11246 and set forth in 41 CFR 60-1.4;
- ☐ the Equal Opportunity Clause for VEVRAA Protected Veterans set forth in 41 CFR 60-300.5(a). **Subcontractor shall abide by the requirements of 41 CFR 60-300.5(a). This regulation prohibits discrimination against qualified protected veterans, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified protected veterans;**
- ☐ the Equal Opportunity Clause for Special Disabled Veterans, Veterans of the Vietnam Era, Recently Separated Veterans, and Other Protected Veterans set forth in 41 CFR 60-250.5;
- ☐ the Equal Opportunity Clause for Workers with Disabilities set forth in 41 CFR 60-741.5(a), **Subcontractor shall abide by the requirements of 41 CFR 60-741-5(a). This regulation prohibits discrimination against qualified individuals on the basis of disability, and requires affirmative action by covered prime contractors and subcontractors to employ and advance in employment qualified individuals with disabilities.;**
- ☐ the Employment Eligibility Verification Clause required under Executive Order 13465 and set forth in 48 CFR 52.222-54;
- ☐ the notification requirements to employees regarding their rights under federal labor laws pursuant to Executive Order 13496 and 29 CFR part 471, appendix A to subpart A; and
- ☐ the related implementing regulations for the above-referenced laws which are incorporated by reference in this Agreement,

By executing this Agreement, Subcontractor further certifies that it complies with the authorities cited above and that it does not maintain segregated facilities or permit its employees to perform services at locations where segregated facilities are maintained, as required by 41 CFR 60-1.8.

(c) Subcontractor agrees that it shall comply with all federal, state and local laws regarding employment practices as well as abiding by all requirements of the Client Contract including, but not limited to, recruitment, recruitment advertising, selection, placement, transfer, promotion, training, compensation, benefits and termination. Subcontractor further agrees to insert a similar provision in all of its subcontracts.

(d) Subcontractor and its officers, directors, owners, partners, key employees and other persons with primary management or supervisory responsibilities, and all other persons who have critical influence on or substantive control over the operation of Subcontractor ("Principal(s)") and subcontractors and agents (such Principals, subcontractors and agents shall be referred to collectively as "Representatives") currently are and for the period beginning five years prior to the date of this Agreement have been in compliance with the Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), and other national anti-corruption laws. Neither Subcontractor nor any of its Representatives has, either directly or indirectly through a third party:

- (i) used any Subcontractor funds for any unlawful payment, contribution, gift, entertainment, item of value or other unlawful expense relating to political activity or to otherwise improperly influence official action;
- (ii) made any unlawful payment or gift, or unlawfully provided anything of value, to any foreign or domestic government official or employee to improperly influence his or her decision making or to gain an improper competitive advantage;
- (iii) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment, or otherwise unlawfully provided anything of value, to anyone to improperly influence his or her decision making or to gain an improper competitive advantage; or
- (iv) failed to disclose fully any contribution, payment, gift, entertainment, or anything else of value, made or provided by Subcontractor or any Representatives (or made or provided by any Person acting on Subcontractor's or its Representatives' behalf that violates the FCPA or other applicable anti-corruption laws.

In connection with this Agreement, Subcontractor shall, and shall cause its Representatives to, comply with the FCPA and other applicable anti-corruption laws as well as Allied Universal's Global Anti-Corruption Policy, receipt of which is hereby acknowledged, including implementing, maintaining and complying with all policies and procedures necessary to ensure compliance with such applicable laws and the aforementioned Allied Universal policy. Specifically, but without limitation of the foregoing Subcontractor shall provide training on compliance with the FCPA to all Representatives and other employees and agents and shall maintain records substantiating participation therein by all such persons. Subcontractor and its Representatives shall certify compliance with the provisions contained in Article 3(e) by execution of the Certification attached as Exhibit "B" simultaneously with execution of this Agreement and shall re-certify compliance therewith annually thereafter.

(e) **OFAC REPRESENTATION AND COVENANT**

- (i) **OFAC Representation:** Subcontractor and its Representatives are and have been at all times prior to the date of this Agreement been in compliance with all laws, regulations and orders administered by the Office of Foreign Asset Control ("OFAC") and any other governmental entity, office or agency imposing economic sanctions and trade embargoes (collectively "Economic Sanctions Laws") against designated countries ("Embargoed Countries"), entities and persons (all of the foregoing Embargoed Countries, entities and persons are collectively "Embargoed Targets"). Subcontractor and its Representatives are not and never have been an Embargoed Target or otherwise subject to any Economic Sanctions Law.
- (ii) **OFAC Covenant:** Subcontractor and its Representatives shall comply with all Economic Sanctions Laws. Without limiting the generality of the foregoing, Subcontractor and its Representatives shall not (aa) directly or indirectly export, re-export, transship or otherwise deliver any goods, services or

technology to an Embargoed Target or (bb) broker, finance or otherwise facilitate any transaction in violation of any Economic Sanctions Law.

- (f) Subcontractor and its Representatives do not and will not conduct any restricted or sanctioned business operations in Sudan, Iran, Cuba or any other country subject to such restrictions or sanctions as proscribed by applicable law from time to time.
- (g) Subcontractor represents and warrants to Allied Universal that:
  - (i) No public official is directly or indirectly interested in this Agreement or the Client Contract, or in the equipment, work, labor or services to which those relate or in any of the profits thereof;
  - (ii) Except as set forth in this Agreement, Subcontractor has, and shall have, no interest, direct or indirect, in the project to which the Services relate;
  - (iii) To the best of its knowledge, upon due inquiry, no officer, member, partner or employee of Subcontractor has, prior to the date of this Agreement, been called before a grand jury, head of a state agency, head of a city department or other city agency to testify in an investigation concerning any transaction or contract had with the State of New York, any political subdivision thereof, a public authority, or with any public department, agency or official of the State of New York or of any political subdivision thereof and refused to sign a waiver of immunity against subsequent criminal prosecution or to answer any relevant question concerning such transaction or contract.
- (h) Subcontractor agrees, as a material condition of this Agreement, that neither Subcontractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated or is participating or shall participate in an international boycott in violation of the provisions of the United States Export Administration Act of 1969, as amended, of the United States Export Administration Act of 1979, as amended, or the Regulations of the United States Department of Commerce promulgated thereunder. This Agreement shall be rendered forfeited and void by the Comptroller of the State of New York if, subsequent to execution, such person, firm, partnership or corporation has been convicted of a violation of the provisions of either of such federal acts or such Regulations or has been found upon the final determination of the United States Commerce Department or any other appropriate agency of the United States to have violated the provisions of either of such federal acts or such Regulations.
- (i) Subcontractor certifies that it and/or any individual or legal entity in which it holds a 10% or greater ownership interest, and any individual or legal entity that holds a 10% or greater ownership in it, either have no business operations in Northern Ireland, or shall take lawful steps in good faith to conduct any business operations they have in Northern Ireland in accordance with the MacBride Fair Employment Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, as set

forth in Section 165(5) of the New York State Finance Law, and shall permit monitoring of their compliance with such Principles.

- (j) By signing this Agreement, each person and each person signing on behalf of any other party certifies, and in the case of a joint bid or partnership each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each person is not on the list created pursuant to paragraph (b) of subdivision 3 of Section 165-a of the New York State Finance Law.

- (h) Subcontractor shall provide Allied Universal prompt written notice of any non-compliance with or breach of any of the representations, warranties and covenants set forth in this Article 3.

#### ARTICLE 4 - SUBCONTRACTOR'S WARRANTIES AND OPERATIONAL COVENANTS.

(a) Subcontractor represents and warrants to Allied Universal that: (1) it has full power and authority to execute and deliver this Agreement, to consummate the transactions contemplated hereby and that it is not currently a party nor will it become a party to any other agreement which would prevent Subcontractor from entering into this Agreement or which would adversely affect Subcontractor's performance under this Agreement; (2) it shall perform the Subcontractor Services in strict conformity to the Performance Specifications in accordance with the highest standards of the industry; (3) it has carefully examined and understands the Contract Documents and has investigated the nature and conditions and difficulties under which the Subcontractor's Services are to be performed and that it enters into this Subcontract based on its own examination, investigation, and evaluation and not in reliance upon any opinions or representations of Allied Universal or the Client or any other person. Subcontractor hereby acknowledges that it has been afforded the opportunity to examine all locations pertinent to the Subcontractor Services and that Subcontractor does not have any questions or inquiries concerning same; and (4) the Subcontractor Services and any applicable products provided by it hereunder shall not infringe the intellectual property rights or other rights of any third party and (5) neither Subcontractor nor its Principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into the Agreement by any government agency. Subcontractor also further certifies that it has verified the suspension and debarment status for all of its subcontractors receiving funds under this Agreement and is solely responsible for any paybacks and/or penalties that might arise from non-compliance.

- (b) At Subcontractor's cost:

- (i) All Subcontractor personnel shall be carefully screened, interviewed, and be authorized to work in the U.S. confirmed and references checked, fingerprinted and properly trained and qualified to provide the Subcontractor Services in accordance with any requirements in the Contract Documents and all applicable federal, state and local laws, rules and regulations. In addition, Subcontractor shall cause its employees/permitted



subcontractors to undergo such background, drug, criminal record or other checks or tests as Allied Universal may request. Subcontractor agrees not to assign any personnel to perform Subcontractor Services who are not in compliance with federal, state and local laws governing U.S. residency or who are not otherwise eligible for employment, and who have not submitted appropriate supporting documentation confirming U.S. citizenship, residency, legal alien status and/or INS Form I-9. Subcontractor will not assign any personnel to perform the Subcontractor Services who have been charged with or convicted of any felony or any misdemeanor, without Allied Universal's prior written consent.

(ii) Subcontractor, prior to utilizing any employee to perform the Subcontractor Services hereunder, represents to Allied Universal and Client that such employee has been registered/licensed as a security officer in accordance with applicable law in the jurisdiction in which the Subcontractor Services are to be performed.

(iii) Subcontractor shall, at its expense, obtain and maintain current and valid permits, licenses, certifications, consents, releases and/or approvals required for the conduct of its operations hereunder. Subcontractor is (i) under no pending or threatened investigation by any federal, state or local agency, department or authority and (ii) currently licensed in the jurisdictions in which Subcontractor is to perform the Subcontractor Services and such license(s) have never been suspended or revoked.

(iv) Subcontractor is currently duly certified and an MBE and WBE by the Empire State Development Division of Minority and Women's Business Development and shall throughout the term of this Agreement maintain such certification in good standing. Subcontractor shall notify Allied Universal immediately of any pending actions threatening or affecting its status as a certified M/WBE business or as a licensed security services provider for the Subcontractor Services and any actions that may impair the ability of Subcontractor to carry out its obligations under this Agreement or the Client Contract. Upon request of Allied Universal, Subcontractor shall promptly provide all information required by Allied Universal in the preparation of workforce employment utilization reports and other utilization compliance reports addressing Allied Universal's utilization plan for use of women and minorities in performance of the Client Contract to be submitted by Allied Universal to Client. At Allied Universal's request, Subcontractor shall also attend meetings of the Client and Allied Universal to present information pertaining to the nature of Subcontractor's Services, Service schedule and hiring needs and such other information that will promote the employment of minorities and women.

(v) At Allied Universal's request, Subcontractor shall attend meetings between Allied Universal and Client to discuss issues and provide information relating to Minority Group Members and women workforce participation. At such meetings, Allied Universal shall report on the manner of its subcontractors then engaged on the project to which the Services relate or which within 60 days are scheduled to be engaged on such project, on the nature of the work and anticipated schedules of Allied Universal and the subcontractors, on the anticipated hiring needs of Allied Universal and the subcontractors, on the names of the responsible supervisors directly employed by Allied Universal and such information requested by Client that will then promote the employment of Minority Group Members and women. Upon request of Allied Universal, Subcontractor shall also provide the information necessary to the preparation of monthly compliance reports with respect to the Utilization Plan ("Utilization Compliance Reports") required by the Client to be submitted by Allied Universal to Client's Diversity Officer. Such Utilization Compliance Reports

shall include information on Subcontractor's involvements in the performance of the Client Contract with regard to Subcontractor's compliance with the Diversity Program. The Utilization Compliance Reports shall include, but are not limited to the following: (AA) a breakdown of the Subcontractor by ethnic background, gender or such other categories as may be required by Client; (BB) Action that Allied Universal and Subcontractor have taken to meet the components of the Diversity Program; and (CC) how Allied Universal and Subcontractor intend to use Minority Group Members and women in their workforce in connection with the performance of the Services and timetables therefor during the remainder of their performance of the Services.

(vi) Upon request, Subcontractor shall deliver to Allied Universal, at Subcontractor's expense, a complete release of all liens arising out of the performance of the Subcontractor Services or a bond satisfactory to and indemnifying and defending Allied Universal and/or the Client against all possible liens. Allied Universal may withhold payment until receipt of such release.

(vii) To the extent that there exists a collective bargaining agreement at the site at which Subcontractor is working, Subcontractor agrees, to the extent required by law, to comply with those terms and conditions set forth in the applicable collective bargaining agreement.

ARTICLE 5 – RESTRICTIVE COVENANTS. Subcontractor will not, during the term of this Agreement and for a period of two (2) years following the termination and/or expiration of this Agreement either directly or indirectly, on its own behalf or in the service of or on behalf of others (1) divert, solicit or hire away any person employed by Allied Universal or any of its subcontractors in the performance of this Agreement to any person, concern or entity which is engaged in or conducts a business the same as or essentially the same as the business of Allied Universal, and (2) solicit or accept business from or otherwise do business with Client or its affiliates, or for any third party rendering such services for Client or its affiliates.

#### ARTICLE 6 - PERSONNEL; INDEPENDENT CONTRACTOR.

(a) Subcontractor will staff the Subcontractor Services in accordance with Client's scheduling requirements, including a readily available replacement reserve of additional employees as needed. Such employees shall be employed by Subcontractor, which, for all purposes hereunder, shall be an independent contractor. Subcontractor employees shall not have any right to receive any employee benefits, including health care, in effect for Allied Universal or Client employees. Subcontractor shall be responsible for the payment of all wages, payroll taxes, assessments and other costs based on payroll or other consideration that Subcontractor or any of its employees derives from this Agreement, including social security, unemployment and disability benefits insurance and the provision of fringe benefits for its employees.

(b) Neither party to this Agreement shall be construed as a principal or agent, master or servant, franchisor or franchisee, partner, joint venture, fiduciary employer, co-employer, joint employer, quasi-employer, master, or principal of the other.

(c) Allied Universal and Client shall not be deemed to be in control of, or directly or vicariously liable for, the acts or omissions of Subcontractor's employees. Subcontractor retains all of the rights and privileges of sole employer of its employees, including, without limitation, the right to control, hire, discipline, compensate and terminate such employees.



(d) Subcontractor shall cause each of its employees to execute and deliver a written acknowledgement in the form of Exhibit "C" confirming that such employee is a Subcontractor employee and is not an employee of Allied Universal or Client and a corresponding release of any claims against such parties. Copies will be made available to Allied Universal upon request.

(e) If Allied Universal is required by law or government agency to reclassify any of Subcontractor's employees providing Subcontractor Services hereunder, during the term of this Agreement or any extension thereof, as employees of Allied Universal for federal or state income tax purposes or to provide them benefits or coverage under (i) any of Allied Universal's "employee benefit plans" as defined in the employee Retirement Act of 1974 ("ERISA"), as amended; (ii) any state unemployment insurance, worker's compensation or disability benefits program; (iii) Title VII of the Civil Rights Act of 1964, as amended, the Age Discrimination in Employment Act of 1967, as amended, the Americans with Disabilities Act, as amended, the Family and Medical Leave Act, as amended, or any other local, state or federal civil rights or employment statute; (iv) the Federal Insurance Contributions Act ("FICA"), the Federal Unemployment Tax Act ("FUTA") or the Fair Labor Standards Act ("FLSA"), as amended; or (v) any other applicable regulation, rule or law, Subcontractor agrees that it shall be financially responsible for, and shall pay all costs or expenses or reimburse Allied Universal on demand, for the costs or expenses of any benefits or coverage provided by Allied Universal on account of such reclassification.

(f) Subcontractor shall contact the Allied Universal Account Manager (as defined below), or his or her designee, on a weekly basis during the first month of this Agreement and on a monthly basis thereafter to confirm the requirements for the days and hours of Subcontractor Services and number of Subcontractor employees for the upcoming weekly or monthly period, as the case may be, and to review the overall quality of Subcontractor Services rendered. Allied Universal may at any time, without advance notice, inspect a services location to ensure Subcontractor and its employees are acting in compliance with this Agreement.

(g) Subcontractor agrees to execute all instruments and documents, and to take all actions which Allied Universal requests, to ensure that the express intent, understanding and agreement of the parties are carried out to the fullest extent.

(h) Subcontractor has designated Soyini Chan Shue to be its Account Manager under this Agreement. Allied Universal has designated John McArdle to be its Account Manager under this Agreement.

(i) Subcontractor agrees to immediately remove any Subcontractor employee upon the request of either Allied Universal or Client. Subcontractor is responsible for any costs associated with replacing such employee.

(j) Allied Universal will own all products, inventions, documents, writing and other materials created, conceived, prepared, made, discovered or produced by any Subcontractor employee pursuant to this Agreement (the "Materials"). The Materials will be works made for hire to the extent permitted by applicable law, and Allied Universal will retain all copyright, patent, trade secret, trademark and any other intellectual property or proprietary rights in the Materials. If any of the Materials do not qualify as works made for hire, Subcontractor hereby assigned to Allied

Universal all right, title and interest therein and all extensions and renewals thereof. If requested by Allied Universal, Subcontractor will execute a written assignment of such rights to Allied Universal.

ARTICLE 7 – CONFIDENTIAL INFORMATION.

- (a) “Confidential Information” shall mean any information supplied by Allied Universal or Client to Subcontractor whether provided prior, during or subsequent to the date of this Agreement, or acquired by Subcontractor under this Agreement related to the business of Allied Universal or its affiliates or Client or its affiliates, including, but not limited to, technical and non-technical data, manuals, orders, training materials, designs, plans, specifications, inventions, trade secrets, finances, lists of actual or potential customers and suppliers and information pertaining to same, research and development related to existing and future projects and/or clients of Allied Universal or Client, the existence, nature and details of this Agreement, the relationship between Allied Universal and Client, information relating to the Client Contract including employee numbers, data and staffing levels, and Allied Universal and Client employee and human resources practices and procedures.
- (b) Subcontractor shall not disclose and shall not permit the disclosure, without the express prior written consent of Allied Universal in each instance, of any “Confidential Information” to anyone or any entity that is not a party to this Agreement, except employees or third parties who need to know the information in order to perform under this Agreement.
- (c) Subcontractor will make its employees, affiliates, contractors, agents and subsidiaries aware of the confidentiality provisions herein and will obtain their written agreement to honor these provisions. Copies of such agreement will be made available to Allied Universal upon request. Subcontractor shall be responsible for its employees, affiliates, contractors, agents and subsidiaries’ violation of the confidentiality obligations under this Agreement. Subcontractor’s obligations shall survive the expiration or any termination hereof.
- (d) Subcontractor represents and warrants that any information disclosed by Subcontractor to Allied Universal is not confidential to Subcontractor or to any third party. Accordingly, no obligation of any kind is assumed by or to be implied against Allied Universal by virtue of any information received (in whatever form or whenever received) from the Subcontractor relating to the subject matter hereof and Allied Universal is free to reproduce, use, modify, update, release and disclose to others such information without limitation.
- (e) On demand of Allied Universal, Subcontractor shall deliver to Allied Universal all documents, software and any materials containing or reflecting any such Confidential Information in its possession, including all copies, and delete any Confidential Information from its computer systems.
- (f) Any breach of this Agreement by Subcontractor would result in irreparable injury to Allied Universal which would not be adequately satisfied by damages and therefore, in addition to all remedies provided at law or in equity, Subcontractor agrees that Allied Universal shall be entitled to a temporary restraining order, an injunction or any other similar remedy under law or equity to

prevent a breach or contemplated breach of this Agreement by Subcontractor, without the necessity of posting bond.

(g) Subcontractor agrees that all Personally Identifiable Information (“PII”), including, without limitation, names, email addresses, telephone numbers, social security numbers, drivers’ license numbers, financial account numbers, associated drug test results, or similar personal information, of Allied Universal or Client’s personnel that is supplied to, accessible to, accessed by, or stored by Subcontractor on behalf of Allied Universal or Client, is the sole property of Allied Universal or Client, as applicable, and such PII constitutes Confidential Information subject to the protection set forth herein. Subcontractor shall use its best efforts to protect the confidentiality of such PII and to avoid any disclosure of same. Subcontractor shall apply to such PII protection measures no less stringent than those Subcontractor uses to protect the most highly sensitive confidential information in its possession and act in accordance with all applicable law. Subcontractor further agrees that it will not in any way duplicate any such PII, nor will it sell, rent or in any way release such PII, to any third party for any reason whatsoever, without the prior written consent of Allied Universal. In the event of any dissemination, disclosure, or use of such PII, Subcontractor shall notify Allied Universal immediately in writing with all known facts, and will use best efforts to assist Allied Universal in minimizing any damage from such disclosure. Subcontractor shall not modify any PII to which it may have access other than to correct errors at the written request of Client. Without limiting the foregoing, Subcontractor agrees it shall comply fully with Massachusetts 201 CMR 17.00 et. seq. with respect to the Personal Information (as that term is defined therein) of all personnel of Client or Allied Universal who are Massachusetts residents that may be collected, processed, handled, or stored by Subcontractor in connection with its performance of Subcontractor Services under this Agreement, including but not limited to creating and implementing a comprehensive Written Information Security Plan (“WISP”) with respect to all such Personal Information. Upon request Subcontractor shall supply a copy of its current WISP at any time during the term of this Agreement for review by Allied Universal or Client. In the event the WISP is not found to be sufficient for the purpose of protecting Personal Information or Allied Universal’s or the Client’s PII (in the exclusive reasonable business judgment of Allied Universal or Client, as the case may be), Allied Universal may terminate this Agreement upon thirty (30) days’ written notice to Subcontractor without penalty or liability of any kind.

(h) This Article shall survive the expiration or any termination of this Agreement.

#### ARTICLE 8 - FISCAL ARRANGEMENTS.

(a) Allied Universal shall remit to Subcontractor such amounts as set forth in Exhibit “A” for each hour actually worked by Subcontractor for Allied Universal in connection with the Client Contract; provided, however, that Allied Universal shall have no obligation to pay any compensation to Subcontractor for any Subcontractor Services unless and until Allied Universal receives payment from Client for such Subcontractor Services. Such amounts are inclusive of all federal, state and local taxes, including, but not limited to, all sales and use taxes, imposed in connection with the performance of the Subcontractor Services and/or the payment to Subcontractor set forth herein. Subcontractor shall invoice Allied Universal on a weekly basis. Allied Universal shall remit payment to Subcontractor within thirty (30) calendar days following receipt of payment from Client. The acceptance by Subcontractor of the final payment under this

Agreement or any final payment due upon termination of this Agreement under Article 11, shall constitute full and complete waiver and release of Allied Universal and Client from any and all claims, demands, and causes of action whatsoever that Subcontractor and/or its successors and assigns have, or may have, against Allied Universal or Client.

(b) Services locations may place emergency orders for Subcontractor employees without advance notice. Subcontractor shall fill emergency orders at the rates set forth in Exhibit "A" or at such other rate as may be agreed upon in writing by the parties.

(c) Subcontractor represents, warrants and covenants that during the Term (as defined below), the pricing of the Subcontractor Services shall be at least as favorable to Allied Universal as the lowest and best pricing offered by Subcontractor to any third party purchasing security services similar to the Subcontractor Services on substantially similar terms and conditions.

(d) Subcontractor's billing rates shall not be subject to increase for any reason whatsoever without the express written consent of Allied Universal.

(e) If Allied Universal disputes an invoice, it shall not withhold payment any of the undisputed portion of such invoice(s) until the dispute is resolved. Subcontractor shall pay its employees and any individual or entity working for it or on its behalf under this Agreement timely and promptly in accordance with all applicable laws and the agreements and arrangements that it has with such individuals and entities notwithstanding any disputed invoice hereunder.

(f) Subcontractor employees will comply with any requirements to record their arrival and departure from the services location by using a time clock or other log-in/log-out system.

(g) Subcontractor shall, until the earlier of six (6) years after completion of the performance of the Services or six (6) years after termination of the Client Contract, maintain complete and correct books and records relating to all aspects of Subcontractor's obligations hereunder, including without limitation accurate cost and accounting records specifically identifying the costs incurred in performing their respective obligations, and shall make such books and records available to Client or its authorized representatives for review and audit at all reasonable times as Client may request. In the event that Subcontractor shall fail to comply with the provisions of this section, and as a result thereof shall be unable to provide reasonable evidence of such compliance, Allied Universal shall not be required to pay any portion of the Service fees then due or next becoming due, as the case may be, with respect to such items, and if such compensation has already been paid, Allied Universal may require Subcontractor to refund any such payment made. Any excessive audit costs incurred by Client or Allied Universal due to Subcontractor's failure to maintain adequate records shall be borne by Subcontractor.

ARTICLE 9 - REIMBURSEMENT OF ADDITIONAL SUMS. If Allied Universal pays or incurs any expenses, fees or penalties arising from the failure or neglect of Subcontractor to perform or fulfill any of the terms or conditions of this Agreement, Subcontractor shall reimburse Allied Universal for such expenses, fees or penalties within ten (10) business days following written demand(s) from Allied Universal. Specifically but without limitation of the foregoing,

should Subcontractor fail to staff all posts: (a) Subcontractor shall also reimburse Allied Universal in the amount of all straight time and overtime wages paid by Allied Universal to its personnel to cover vacancies in Subcontractor assigned posts not paid by Client; and (b) Subcontractor shall also pay Allied Universal any and all liquidated damage amounts specified in the Client Contract for each hour or any fraction thereof that Allied Universal is required to use its personnel to fill such vacancies; and (c) Subcontractor shall pay all such amounts for wages and liquidated damages within ten (10) business days following written demand(s) from Allied Universal. In addition to and without limiting the foregoing, Allied Universal shall have the right to have Subcontractor Services performed by its own or other personnel, and in the case of any such failure on the part of the Subcontractor, to deduct any costs incurred by Allied Universal not paid by Client in connection therewith from the amount of compensation to be paid to Subcontractor pursuant to Article 8 hereof and to pursue any other legal or equitable remedy available to Allied Universal as a result of such failure.

ARTICLE 10 - APPLICABILITY OF CLIENT CONTRACT. All of the terms and conditions of the Client Contract shall be deemed expressly incorporated by reference into this Agreement, and Subcontractor shall be bound by the same. Subcontractor shall be under the same obligations to Allied Universal and bound by the same terms, conditions and procedures that govern Allied Universal's relationship with the Client, including, but not limited to, dispute resolution procedures, change order procedures and insurance and indemnity obligations. Subcontractor shall have no rights against Client nor shall it have any beneficial, creditor or other interest, direct or indirect, in the Client Contract, such document being incorporated herein solely for the purpose of establishing the respective obligations of Subcontractor and Allied Universal with respect to the performance of the Subcontractor Services hereunder.

#### ARTICLE 11 – TERM.

- (a) The term of this Agreement (the "Term") shall commence on the date first written above and shall continue until November 19, 2018, unless terminated sooner as provided herein.
- (b) This Agreement may also be terminated by either party for non-performance by the other party upon thirty (30) days written notice to the nonperforming party. The nonperforming party shall have the opportunity to cure the non-performance or deficiency within that thirty (30) day notice period. Upon a determination by a court of competent jurisdiction that termination of this Agreement was wrongful, such termination will be deemed converted to a termination for convenience and the Subcontractor's remedies shall be limited to those set forth in Article 11(b).
- (c) Allied Universal may order Subcontractor in writing to suspend, delay or interrupt performance of all or any part of the Services for such period of time as Allied Universal to the same and proportional extent Client makes such request of Allied Universal. Such direction shall be in writing and shall specify the period of time during which such Services are to be suspended along with a copy of the letter from the Client to Allied Universal requesting the same. .
- (d) Notwithstanding Articles 10 and 11(b) of this Agreement, Allied Universal may immediately terminate this Agreement upon the occurrence of any of the following events:

- (i) If any representation or warranty made by Subcontractor hereunder proves to have been incorrect in any respect when made or if Subcontractor fails or refuses to fulfill any of its obligations under this Agreement;
- (ii) If any insurance coverage, security license or M/WBE certificate issued by any government authority lapses, is revoked or suspended or any action is brought against Subcontractor by any government authority seeking revocation, suspension or imposition of a fine or other penalty against Subcontractor or any of its affiliates;
- (iii) If voluntary bankruptcy proceedings are instituted by Subcontractor or if proceedings are instituted by anyone else to adjudge Subcontractor bankrupt, or if Subcontractor makes an assignment for the benefit of creditors, or if the interest of Subcontractor in this Agreement passes by operation of law to any person other than Subcontractor; or
- (iv) If the Client Contract shall terminate, expire or be modified in such a manner as to no longer require the Subcontractor Services, the Term of this Agreement shall similarly terminate or expire upon the effective date of expiration or termination of the Client Contract, or, if applicable, the date of cessation of the need for Subcontractor Services, without any further liability on the part of Allied Universal, even if any such termination of the Client Contract or elimination of Subcontractor Services from the Client Contract was alleged to have been the result of Allied Universal's performance thereunder. Subcontractor shall not be entitled to receive any greater amount than Allied Universal may on behalf of Subcontractor recover from the Client for any termination, settlement and/or contract dispute.

ARTICLE 12 – INSURANCE. Subcontractor shall, at its sole expense, during the performance of the Subcontractor Services required by this Agreement, procure and maintain the following minimum insurance coverage or, if higher, those insurance coverages and terms stated in the Client Contract, on an occurrence basis:

- (a) Worker's Compensation Insurance/Employer's Liability Coverage/ New York State Disability Benefit Insurance

Minimum Limits:

Worker's Compensation Statutory

Employer's Liability \$1,000,000 Each Accident

\$1,000,000 Disease/Policy Limit

\$1,000,000 Disease/Each Employee

New York State Disability Benefit Insurance As required by New York State law

Workers Compensation Insurance and New York State Disability Benefits Insurance shall be kept in force until receipt of final payment by Subcontractor hereunder.

- (b) Comprehensive General Liability coverage (including Contractual Liability, Broad Form Property Damage, Premises Liability, Products and Completed Operations Liability, Independent Contractor, Advertising Injury and Personal Injury) against all claims and liability for bodily injury, death or property damage arising out of the Subcontractor's performance of work under the



Agreement and/or physical location at the services location.

Bodily Injury/Personal Injury \$1,000,000 each occurrence  
\$2,000,000 aggregate

Property Damage \$1,000,000 each occurrence  
\$2,000,000 aggregate

(c) Commercial Automobile Liability Insurance including coverage for all owned, hired and non-owned automobiles with a combined single limit for bodily injury and property damage of \$1,000,000.

(d) Professional Errors and Omissions Liability Insurance including coverage of \$2,000,000 per occurrence. The insurance coverage shall remain in effect during the term of this Agreement and for a minimum of three (3) years following the termination of this Agreement.

(e) Excess Liability Insurance with an aggregate limit of not less than \$5,000,000

(f) The Commercial General Liability and Commercial Automobile Liability and Excess Liability policies shall name Client, MTA Bus Company, the State of New York and Allied Universal, their respective subsidiaries, divisions and affiliated companies and such other entities as identified by Client, as additional insureds and shall be primary and non-contributory to any policies of insurance carried by either Client or Allied Universal. Such policies shall contain a separate additional insured endorsement on forms CG 20 10 07 04 or CG 20 26 07 04 or their equivalent. Subcontractor shall also waive subrogation rights with respect to Worker's Compensation insurance, as well as the Commercial General Liability and Commercial Automobile Liability coverages, in favor of Client and Allied Universal.

(g) Subcontractor shall provide to Allied Universal Certificates of Insurance for all required insurance prior to commencing any work. Such certificates must be kept current at all times and shall be provided upon request of Allied Universal from time to time, but not less frequently than the expiration dates of the policies. Submission of a certificate of insurance to Allied Universal shall constitute a warranty by Subcontractor that the insurance coverage described is in effect for the policy term shown. Subcontractor agrees to also provide certified copies of its insurance policies as requested by Allied Universal at any time. All such Certificates of Insurance shall set forth that the subject coverage is not subject to cancellation, termination or material alteration except after thirty (30) days prior written notice by Certified Mail to Allied Universal.

(h) Unless otherwise agreed to in writing by Client and Allied Universal, all of Subcontractor's insurance is to be placed with insurers who have a Current Best rating of no less than A- and a financial size of no less than Class VIII and who are authorized as an admitted insurance company in the state where the Subcontractor Services are to be performed.

(i) The limits of liability coverage set forth above are established as minimum coverages and shall in no way be construed or deemed to limit, discharge, waive or release Subcontractor from any of the obligations and risks accepted by Subcontractor under this Agreement or be a limitation

on the nature or extent of said obligations and risks, whether under any hold harmless or indemnification provision contained in this Agreement or the Client Contract or otherwise. Failure to carry the specified insurance coverage shall not relieve Subcontractor of responsibility for losses arising under this Agreement. Subcontractor shall require that its permitted subcontractors maintain the same or greater insurance coverage as described herein and comply with the provisions of this Article. This Article shall survive the expiration or termination of this Agreement.

(j) Subcontractor shall secure, pay for and maintain Property Insurance necessary for protection against loss of owned, borrowed or rented equipment, tools and materials used in Subcontractor's performance of the Services. Subcontractors' failure to secure such insurance or to maintain adequate levels of coverage shall not render Allied Universal, Client or any other additional insureds, or their agents or employees, responsible for any such losses, and Allied Universal, Client and the other additional insureds shall have no such liability.

#### ARTICLE 13 - INDEMNIFICATION.

(a) The term "Indemnitees," shall consist of the following parties, including their respective officers, partners, members, affiliates, managers, shareholders, directors, agents, employees, attorneys, successors, and assigns: (1) the Client; (2) Allied Universal; and (3) other persons required to be indemnified and defended under the Client Contract.

(b) To the greatest extent permissible by law and whether or not liquidated or actual damages are assessed by the Client, Subcontractor covenants and agrees to defend, protect, release, indemnify and hold harmless the Indemnitees from and against any loss or destruction of property and personal injury, sickness, disease, including death, (including attorneys' fees) arising out of, related to or in connection with, in whole or in part, the Subcontractor Services that arise out of: (1) any of Subcontractor's debts, accounts, obligations or other liabilities; (2) any actual or alleged act or omission, tortious conduct or illegal activity, or willful misconduct of Subcontractor or any agent, employee or independent contractor of Subcontractor during the performance of the Subcontractor Services and otherwise; (3) any breach of any of the representations, warranties, covenants, obligations or agreements made by Subcontractor in this Agreement; (4) Subcontractor's actual or alleged violation of law; or (5) any and all claims for infringement of any copyright, trademark or patent arising out of Subcontractor's performance of the Services. For the purposes of this Article, the term "Subcontractor" shall mean Subcontractor, its employees, contractors, permitted subcontractors, agents, affiliates and any individual or entity engaged or retained by Subcontractor in connection with this Agreement.

(c) Subcontractor acknowledges and agrees that its duty to defend the Indemnitees as identified in this Article is separate and independent from Subcontractor's duty to indemnify the Indemnitees. In addition to and without limiting the foregoing in any way, Subcontractor's duty to defend and indemnify the Indemnitees shall also apply to any claim, action or proceeding brought by an employee or former employee of Subcontractor arising out of or based upon (i) any law, regulation, requirement, contract or award including those relating to the hours of employment, working conditions or wages or compensation of any such employee; and/or (ii) any claim, finding or other determination (preliminary or final, appealable or non-appealable) that an Indemnatee, any of its affiliates, or any service location hereunder, is an employer, co-employer, joint employer, master or principal of any Subcontractor employee (whether under any law or at common law or

otherwise), or is vicariously liable for the acts or omissions, or alleged acts or omissions, of any Subcontractor employee, and shall include sums that the Indemnitees may or shall become obligated to pay as damages in reasonable settlement of a claim as well as in satisfaction of a judgment. Subcontractor hereby waives any immunity it may have under applicable workers' compensation laws or as employer of any claimant and the indemnification obligations under this Article shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for Subcontractor under workers' compensation acts, disability acts or other employee benefit acts.

(d) In no event shall any claim be asserted by Subcontractor against any member, officer, employee, lessee, consultant or agent of Client or the State of New York. Subcontractor waives all rights to make any claim against Client unless required or authorized by law. This Article shall survive the expiration or any termination of this Agreement.

ARTICLE 14 – WAIVER OF CONSEQUENTIAL DAMAGES. Allied Universal and Client shall not be liable to Subcontractor or any other party for consequential (including lost profits or loss of use of real or personal property), incidental, indirect, punitive or exemplary damages. The provisions of this Article shall survive the termination or expiration of this Agreement.

ARTICLE 15 - WAIVER OF SUBROGATION. Subcontractor hereby releases the Indemnitees and their insurance companies from all liabilities, claims, losses and expenses sustained as a result of injury to employees of Subcontractor providing Subcontractor Services. Subcontractor's workers' compensation and employers' liability insurance policies shall be endorsed to provide that Subcontractor's insurers shall not have any right of subrogation against Allied Universal and/or Client, and their respective employees, agents, officers, invitees and insurance companies for any payments made or losses sustained as a result of injury to Subcontractor's employees.

ARTICLE 16 - NOTICES. All notices, consents, waivers or other communications in connection with this Agreement shall be in writing and shall be deemed to have been duly given if mailed first class, postage prepaid, return receipt requested, or by reputable overnight delivery service, or courier service (providing return receipt), addressed as follows (or to such other addressee or address as shall be set forth in a written notice to the other party):

To Allied Universal: Allied Universal Security Services LLC  
229 W. 36<sup>th</sup> Street, 12<sup>th</sup> Floor  
New York, NY 10018  
Attn: John McArdle, Vice President of Operations

To Subcontractor: Overwatch Services, LLC  
245 W. 139<sup>th</sup> Street  
New York, NY 10030  
Attn: Phillip Banks

Notice shall be deemed given conclusively when received as evidenced by the return receipt or tracking information.

ARTICLE 17 - COMPLIANCE WITH BUSINESS CONDUCT POLICY.

Subcontractor, and its officers, employees, representatives and agents, shall comply in good faith with Allied Universal's "Business Conduct Policy", a copy of which shall become attached to this Agreement as Exhibit "D" attached hereto, and by this reference, made a part hereof.

ARTICLE 18 – TRADEMARKS AND ADVERTISING. Neither party hereto shall use the name, logo, service mark, trademark or indicia of the other party hereto for any purposes whatsoever, (including press releases, advertisements and marketing materials for soliciting or procuring sales, clients, investors, financing or other business engagements), without the prior written permission of the other party, in each instance.

ARTICLE 19 – ASSIGNMENT/SUBCONTRACTING. This Agreement shall not be assigned, subcontracted or delegated by Subcontractor without the prior written consent of Allied Universal in each instance, which consent may be withheld in Allied Universal's sole discretion. No assignment, delegation or subcontracting by Subcontractor, with or without Allied Universal's consent, shall relieve Subcontractor of any of its obligations under this contract or prejudice any of Allied Universal's rights against Subcontractor whether arising before or after the date of any assignment. This article does not limit Subcontractor's ability to purchase standard commercial supplies or raw materials.

ARTICLE 20 - NO THIRD-PARTY RIGHTS. This Agreement is between Allied Universal and Subcontractor exclusively, and no other persons shall claim to be beneficiaries of this Agreement, except for Client, to the extent rights are granted to Client pursuant to the express provisions of any Article of this Agreement or otherwise as required to effectuate Client's rights under the Client Contract.

ARTICLE 21 – SUBCONTRACTOR REPORTS. On a quarterly basis, or as otherwise mutually agreed by the parties, Subcontractor, at its expense, shall provide Allied Universal with a subcontractor report (each, a "Subcontractor Report") which shall be in a format satisfactory to Allied Universal and shall identify all of its personnel working under this Agreement, all the service locations where Subcontractor is providing the Subcontractor Services during such quarter and any facility and/or performance issue for discussion.

ARTICLE 22 – SEVERABILITY. If any provision of this Agreement or the application thereof to any person or circumstance is held invalid, the remainder of this Agreement, and the application of such provision to other persons or circumstances, shall not be affected thereby, and to this end the provisions of this Agreement are declared to be severable.

ARTICLE 23 – WAIVER. A written waiver by either party of any of the terms or conditions of this Agreement at any time shall not be deemed or construed to be a waiver of such term or condition for any subsequent breach of the Agreement. The failure to enforce a particular provision of this Agreement shall not constitute a waiver of such provision or otherwise prejudice Allied Universal's right to enforce such provision at a later time.

ARTICLE 24 - DISPUTE RESOLUTION. The parties shall use their respective good faith best efforts, without waiving their termination rights under this Agreement, to resolve any dispute under this Agreement within thirty (30) days after receipt of the other party's notice of such dispute, escalating such issue as appropriate in a timely manner. Pending final determination of any dispute hereunder, Subcontractor agrees to proceed diligently with the performance of this Agreement and shall not delay the progress or completion of the Subcontractor Services performed hereunder.

ARTICLE 25 - USE OF ALLIED UNIVERSAL'S EQUIPMENT. In the event that Subcontractor by rental, loan or otherwise, makes use of any vehicles or other equipment of Allied Universal, Subcontractor agrees to accept such 'as is'. Payment, if any, required of Subcontractor for use of Allied Universal's equipment shall be stated in Exhibit "A". Such use shall be at the sole risk of Subcontractor. Subcontractor shall be responsible for any loss or damage to such vehicles or other equipment; any such loss or damage shall be restored at Subcontractor's expense. Subcontractor agrees to defend, hold harmless and indemnify Allied Universal and Client against all claims of every nature arising from such use. The provisions of this Article shall survive the termination or expiration of this Agreement.

ARTICLE 26 - ALLIED UNIVERSAL'S LIABILITY.

(a) In no event shall Subcontractor be entitled to any amounts from Allied Universal that exceed the amounts recovered by Allied Universal from the Client on Subcontractor's account. It shall be Subcontractor's sole responsibility to take all steps necessary to enable Allied Universal to timely present its payment requests and claims to the Client.

(b) Subcontractor and Allied Universal acknowledge that there is a risk that the Client, in breach of the Client Contract, may make late payments to Allied Universal, or may not make required payments to Allied Universal. The parties acknowledge that they shall share the risk of same. Accordingly, Subcontractor agrees that Allied Universal's receipt of payment from the Client on behalf of Subcontractor's requisitions for payment shall be to the fullest extent provided by law, a condition precedent to the right of Subcontractor to receive payment from Allied Universal. In the event that Allied Universal is not receiving proper payment from the Client on account of the Subcontractor Services of Subcontractor such that Allied Universal is not required to make payment to Subcontractor hereunder, Allied Universal may, in its sole discretion and to the extent it is legally able to do so, formally and in writing assign to Subcontractor the rights of Allied Universal to pursue claims against the Client for the payment due to Allied Universal on behalf of Subcontractor, which assignment Subcontractor shall accept in full and complete liquidation of the obligations of payment by Allied Universal to Subcontractor hereunder.

(c) Nothing herein is intended to limit or preclude the rights of Allied Universal under other terms of this Agreement to assert back charges, set-offs, limits or other claims against Subcontractor.

ARTICLE 27 – AUDITS. Allied Universal shall have the right, upon seven (7) days' notice to Subcontractor to cause a complete audit of all books, records, reports or other items of supporting documentation and data related to this Agreement which result from this Agreement or are in support of billed costs or compliance with other obligations under this Agreement; and



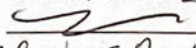
Subcontractor shall make all such records, documents and data available for such examination by Allied Universal. Allied Universal shall have the right to copy and duplicate such information as Allied Universal may require. Subcontractor shall maintain and preserve all such records for at least six (6) years after the expiration or earlier termination of this Agreement. If an audit reveals any overpayment by Allied Universal or any material non-compliance by Subcontractor with any other obligation under this Agreement for any audited period, Subcontractor shall promptly remit to Allied Universal the amount of any overpayment and reimburse Allied Universal for all out-of-pocket fees and expenses incurred by Allied Universal in connection with the applicable audit, together with interest on any overpayment calculated at a rate of two percent (2%) over the Wall Street Journal prime rate, as published from time to time. Subcontractor agrees that payment of any amount in excess of any overpayment, fees, expenses and interest required by this Article shall be paid as liquidated damages and not as a penalty. Additionally, any audit costs incurred by Allied Universal or Client due to Subcontractor's failure to maintain adequate records shall be borne by Subcontractor.

ARTICLE 28 - MISCELLANEOUS. This Agreement, all Exhibits attached hereto and the Client Contract contains the entire understanding between the parties, may not be amended other than by a written instrument executed by both parties, shall be binding upon the parties hereto and their successors and permitted assigns and shall be governed by the laws of the Commonwealth of Pennsylvania. Accordingly, any litigation proceeding under this Agreement shall be commenced and maintained in the U.S. District Court, Eastern District of Pennsylvania, sitting in Philadelphia, Pennsylvania, or if subject matter jurisdiction is lacking, in the Court of Common Pleas, Philadelphia County, Philadelphia, Pennsylvania. The parties waive any objection to such venue, and agree that such venue is convenient. This Agreement inures solely to the benefit of the parties that have executed this Agreement, and there are no third party beneficiaries of this Agreement. Allied Universal may assign this Agreement at any time to an affiliate, the term "affiliate" meaning an entity controlling, controlled by or under common control with Allied Universal. All invoices, purchase orders, sales confirmations or other writings submitted after the commencement date hereof shall be subject to the terms of this Agreement, conflicting terms contained in any such writing to the contrary notwithstanding. Anything to the contrary notwithstanding, any invoice or purchase order issued pursuant to this Agreement is issued solely for administrative purposes. No term or condition set forth anywhere on any invoice or purchase order shall be of any force or effect. Subcontractor shall cause its employees, agents and contractors and permitted assigns to comply with this Agreement.

ARTICLE 29 - CAPTIONS. The captions at the beginning of each Article of this Agreement are for convenience only and are to be given no weight in construing the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives the day and year first set forth above.

**ALLIED UNIVERSAL SECURITY  
SERVICES, LLC**

By:   
Title: Business Development Specialist

**OVERWATCH SERVICES, LLC**

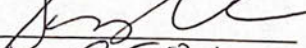
By:   
Title: CEO



EXHIBIT "A"  
PERFORMANCE SPECIFICATIONS, SCOPE OF SUBCONTRACTOR SERVICES AND  
BILLING RATES

**This Exhibit "A" is part of the Agreement and subject to all of the terms and conditions set forth in this Agreement and MTA HQ Master Agreement #15264-0200.**

**Service Locations under this Agreement:** As determined by Allied Universal from time to time

**Total Number of HPW:** As determined by Allied Universal from time to time

**Equipment to be Provided by Subcontractor:**

Uniform patches identifying subcontractor

**Equipment to be Provided by Allied Universal:**

Uniforms for Subcontractor personnel comprised of the following:

**Description of Subcontractor Services:**

Subcontractor shall provide unarmed, uniformed security services in the numbers and at the times and locations specified by Allied Universal to implement Client's security objective, including but not limited to the following:

**Training, Management & Supervision**

Subcontractor shall provide all selection, training, management and administration services relating to security personnel, including but not limited to, **MTA HQ Master Agreement #15264-0200**

Subcontractor shall perform background screenings acceptable to Allied Universal. Documentation for all background screenings shall be forwarded to Allied Universal along with employee consents to supply such information to Allied Universal, as well as employee consents and releases acceptable to Allied Universal authorizing the conduct of additional background checks as Allied Universal may deem necessary, all at Subcontractor's expense.

**Billing Rates**

<b>Yonkers</b>			
Year	Wage	Supplemental	Bill Rate
2017			
2018			
2019			
2020			
2021			

<b>Far Rockaway</b>			
Year	*Wage	**Supplemental Benefit	Bill Rate
2017			
2018			
2019			
2020			
2021			

\*Subcontractor wages and Bill rates will be based upon the prevailing wage schedule as of June 2017.

\*\*Effective Period: 1/1/2017 - 6/30/2017

Wage Rate per Hour:

Supplemental Note: for new employee 0-30 days of employment - ; for new employee 31-120 days of employment -

**Overtime Description**

If President's Day is not observed, then the employer may substitute another holiday not listed below. If an

employer observes a holiday not listed they may substitute said holiday with one on the list.

A guard is eligible for Paid Holidays after one year of continuous employment.

A guard who works a holiday is paid the regular rate plus receives the paid holiday.

Supplemental Benefits shall be paid for each hour paid, up to forty (40) paid hours per week.

**Overtime**

Time and one half the regular rate after an 8-hour day.

Time and one half the regular hourly rate after 40 hours in any work week.

The billing rates set forth above do not include the following direct bill items ("Direct Bill Items") which shall be invoiced to Allied Universal on a monthly basis.

Consistent with Article 9, under no circumstances shall Subcontractor bill for nor shall Allied Universal be obligated to pay Subcontractor for any hour during which Allied Universal was required to use its personnel to fill a vacancy in a Subcontractor assigned post for all or any part of such hour.

**Benefits**

Subcontractor shall provide all security officers assigned to a service location under this Agreement with the benefits included on Exhibit A-1.

**EXHIBIT A-1**

**Paid Holidays**

New Year's Day  
President's Day  
Memorial Day  
Independence Day  
Labor Day  
Thanksgiving Day  
Christmas Day  
Personal Day  
Vacation

**Months on payroll Vacation with Pay**

6 - 3 days  
12 - 1 week  
24 - 2 weeks  
60 - 3 weeks  
180 - 4 weeks  
300 - 5 weeks

EXHIBIT "B"  
Subcontractor Certification

This Certification is incorporated into and made a part of the Subcontract for Services by and between Allied Universal Security Services LLC ("Allied Universal") and Overwatch Services, LLC and will be governed by the terms and conditions set forth therein. Any capitalized terms used in this Certification that are not otherwise defined herein will have the meanings given such terms in the Agreement.

I, Soyini Chan Shue, Overwatch Services, LLC (the "Company") do hereby certify that:

1. The Company and its Representatives and other employees and agents currently are and for the period beginning five years prior to the date of this Certification have been in compliance with the Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), and other national anti-corruption laws. Specifically, but without limitation of the neither the Company nor any of its Representatives has, either directly or indirectly through a third party:

(i) used any Company funds for any unlawful payment, contribution, gift, entertainment, item of value or other unlawful expense relating to political activity or to otherwise improperly influence official action;

(ii) made any unlawful payment or gift, or unlawfully provided anything of value, to any foreign or domestic government official or employee to improperly influence his or her decision making or to gain an improper competitive advantage;

(iii) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment, or otherwise unlawfully provided anything of value, to anyone to improperly influence his or her decision making or to gain an improper competitive advantage; or

(iv) failed to disclose fully any contribution, payment, gift, entertainment, or anything else of value, made or provided by Company or any Representatives (or made or provided by any Person acting on Company's or its Representatives' behalf that violates the FCPA or other applicable anti-corruption laws.

2. Neither the Company nor any of its Representatives or other employees or agents has engaged and will not engage in activity that would violate other applicable laws in addition to the anti-corruption laws referenced above.

3. The Company has maintained accurate and complete records for services performed on behalf of Allied Universal and/or its related entities, and has not engaged and will not engage in any attempt to conceal the origin or ownership of the proceeds of illegal activities or to disguise assets to make them appear legitimate.

4. Company and its Representatives are and have been at all times prior to the date of this Agreement been in compliance with all laws, regulations and orders administered by the Office

EXHIBIT "C"  
ACKNOWLEDGEMENT AND RELEASE

In consideration of my assignment to provide services at an Allied Universal service location ("Service Location"), I agree, as follows:

I understand and agree that I am an employee of Overwatch services, LLC for all purposes, including federal and state income tax law, benefits laws and policies, unemployment compensation laws, worker's compensation laws, occupational health and safety laws, discrimination and other civil rights laws, labor laws, and employer/employee laws generally.

I understand and agree that I am not an employee of Allied Universal or any affiliate of Allied Universal, or any client (a "Client") to which Allied Universal or any of its affiliate provides services.

I irrevocably release and discharge Allied Universal, its affiliates and all Clients from any claim, lawsuit, damages, back pay, front pay, costs, expenses or other liabilities or obligations, related to any of them being my employer, co-employer, joint employer, quasi-employer, master or principal.

I covenant not to sue Allied Universal, its affiliates or any Client on any theory that any of them is my employer, co-employer, joint employer, quasi-employer, master or principal, and I covenant not to argue any such theory in any lawsuit, or other legal proceeding in which I become involved.

I understand and agree that I was advised to have this Acknowledgement and Release reviewed by a lawyer, that I have had a full and fair opportunity to do so, and that I was not coerced or forced to sign this agreement, but have done so voluntarily, knowing that I may be giving up certain legal rights. I agree to sign such other legal documents as Allied Universal, its affiliates or Overwatch Services, LLC may request to give full effect to this agreement.

Witness:

Signature:

Print Name:

Date:

Subcontractor Employee:

Signature:

Print Name:

Date:



of Foreign Asset Control ("OFAC") and any other governmental entity, office or agency imposing economic sanctions and trade embargoes (collectively "Economic Sanctions Laws") against designated countries ("Embargoed Countries"), entities and persons (all of the foregoing Embargoed Countries, entities and persons are collectively "Embargoed Targets").

Subcontractor and its Representatives are not and never have been an Embargoed Target or otherwise subject to any Economic Sanctions Law.

5. Company and its Representatives shall comply with all Economic Sanctions Laws. Without limiting the generality of the foregoing, Subcontractor and its Representatives shall not (aa) directly or indirectly export, re-export, transship or otherwise deliver any goods, services or technology to an Embargoed Target or (bb) broker, finance or otherwise facilitate any transaction in violation of any Economic Sanctions Law.

6. Company and its Representatives do not and will not conduct any restricted or sanctioned business operations in Sudan, Iran, Cuba or any other country subject to such restrictions or sanctions as proscribed by applicable law from time to time

7. Notwithstanding anything contained in this Certification or any agreement to the contrary, Company understands and agrees that consequences of known or suspected violations contained in this Certification, may upon Allied Universal's sole discretion, include termination of any agreement with the Company and/or forfeiture of any compensation.

I hereby certify that should I or any Representative other employee or agent of the Company learn of the prohibited activities listed above, or if there are any changes in the ownership or control of the Company, I will immediately advise Allied Universal by contacting John McArdle, Vice President of Operations, using the contact information listed in Article 16 of the Agreement.

I have received a copy of Allied Universal's Global Anti-Corruption Policy and I hereby confirm that the Company and its Representatives and other employees and agents will abide by all terms, conditions and restriction as stated in such policy in the course of its representation of Allied Universal.

Signature of Soyini Chan Shue: 

Printed Name/Title: CEO Soyini Chan Shue

Date: 3/27/17

EXHIBIT “D”  
BUSINESS CONDUCT POLICY

**Code of Ethics**  
**And**  
**Business Conduct Guidelines**

A guide to business ethics,  
workplace conduct, and compliance

Revised January 2016

**Allied Universal Code of Ethics and Business Conduct Guidelines Overview**

*Allied Universal is governed by the conviction that business conduct is equally important as business performance. Our behavior in the workplace affects our success and shapes our reputation. It also communicates our stance on ethics, integrity, and honesty to those we service. Consequently, we must strive to maintain the highest ethical standards when carrying out our daily work activities.*

*To help us meet this goal, Allied Universal has established a set of business conduct guidelines based on the Company’s Code of Ethics. These basic principles provide a framework for our business decisions. They are meant to be used as a guide to support the Company’s values and fundamental commitment to fostering an ethical work environment. All Allied Universal personnel are expected to conduct themselves ethically and in compliance with law, and to avoid any behavior that may tend to impair the interests or reputation of the Company. This general requirement applies in all circumstances, even those not specifically enumerated in this Code of Ethics*

1. **Our conduct in the workplace**

We treat fellow employees, customers, suppliers, the public we serve, and other stakeholders with fairness, honesty and respect. This includes refraining from discriminatory bias or sexual or other harassment. We treat others in the way we would wish to be treated.

2. **Maintaining confidentiality**

We honor the privacy of employees’ personal information just as we expect our privacy and that of our customers to be protected. In addition, we will protect trade secrets and the confidential information of Allied Universal and its customers, and we refrain from divulging any information that is confidential or could be harmful to the Company and its clients, or that could provide an advantage to competitors. We avoid disclosure of any

information regarding Allied Universal's business, except as our duties require. We use confidential information only for the purpose for which it is provided to us for the performance of our duties and never for personal gain.

3. **Respecting property**

We treat company and customer property as worthy of respect. We protect and preserve both and refrain from using it for personal gain.

4. **Avoiding conflict of interest**

While employed at Allied Universal, our loyalty is to the Company. We refrain from any associations or activities that might conflict with the Company's interests or that may be so perceived. We also avoid doing business with competitors and accepting or giving excessive or inappropriate gifts to vendors or customers. We do not take advantage of our association with Allied Universal for personal gain and avoid actions or relationships that might give even the appearance of a conflict of interest.

5. **Obeing the law**

We must always uphold the law while working at Allied Universal. This includes, for example, obeying all state and local licensing regulations governing the private security trade and work as a security officer. Drug use, fraud, theft, embezzlement, price-fixing, bid-rigging, allocation of customers, or any other illicit activities are grounds for immediate termination and possible prosecution by public authorities.

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### **Part I.**

#### **1 Our conduct in the workplace**

*We treat fellow employees, customers, suppliers, the public we serve, and other stakeholders with fairness, honesty and respect. This includes refraining from discriminatory bias or sexual or other harassment. We treat others in the way we would wish to be treated.*

***Equal employment***

Allied Universal is an Equal Opportunity Employer and does not unlawfully discriminate against any employee or applicant on the basis of race, religious creed, color, national origin, age, ancestry, physical disability, mental disability, medical condition, marital status, sex, sexual orientation, gender identity, genetic characteristics or genetic information, pregnancy, political activities or affiliations, or any other legally protected status as specified by federal, state, and city laws and regulations.

***Freedom from harassment***

Allied Universal does not condone any form of harassment. This includes harassment based on race, religious creed, color, national origin, age, ancestry, physical disability, mental disability, medical condition, marital status, sex, sexual orientation, gender identity, genetic characteristics or genetic information, pregnancy, political activities or affiliations, or any other legally protected status as specified by federal, state, and city laws and regulations.

Employees must report violations to the VP of Human Resources or the Office of the General Counsel. You may also call your Region Human Resources Director or the EEO Compliance Office at (866) 464-2317, to speak with an Employee Relations Specialist.

To avoid harassment, we must refrain from any offensive or inappropriate behavior. Examples of inappropriate behavior may include degrading jokes or images, intimidation, slurs, and verbal or physical sexual harassment. Reports of harassment will be investigated promptly, and employees engaging in this behavior may be disciplined up to and including termination.

Retaliating against an employee for reporting harassment will not be tolerated by the Company, and is itself a violation of this Code of Ethics.

***A safe environment***

We are all responsible for creating a safe working environment at Allied Universal. Use safety devices provided and report any potential or actual hazards to your supervisor. In addition, any injuries or work-related illnesses must be reported to your supervisor within 24 hours of occurrence. Violence has no place in the workplace and will not be tolerated. This includes intimidation, horseplay, violent acts, and threats of violence.

## 2 Maintaining confidentiality

*We honor the privacy of employees' personal information just as we expect our privacy and that of our customers to be protected. In addition, we will protect trade secrets and the confidential information of Allied Universal and its customers, and we refrain from divulging any information that is confidential or could be harmful to the Company and its clients, or that could provide an advantage to competitors. We use confidential information only for the purpose for which it is provided to us for the performance of our duties, and never for personal gain.*

### **Confidentiality**

Allied Universal is committed to preserving the privacy for its employees and customers. The following information is considered confidential. Be sure to follow all applicable laws and Company policies when using or sharing such information:

- ☐ Employee information, including personnel files, compensation, evaluations, disciplinary matters and psychological assessments, and any type of personally identifiable information;
- ☐ Business information, including but not limited to financial, marketing and statistical data, pricing, competitive information, including the identity of customers and pricing information, budgets, processes, techniques, contemplated or pending mergers, acquisitions or significant reorganizations, bid proposals to prospective customers and contract negotiations with prospective and current customers, research and development, and business reports and summaries. Such information, whether company-specific or customer-owned, is confidential information and must be protected;
- ☐ Training materials and programs.

Failure to maintain confidentiality could subject Allied Universal or you to civil and/or criminal action or give both Allied Universal's and our customers' competitors an unfair advantage. A breach of duty to protect information will subject you to discipline, up to and including termination.

### **Insider trading**

As an employee of Allied Universal, you may have access to material nonpublic information concerning the Company or its vendors, suppliers or customers. You may not buy or sell Allied Universal securities (if and when publically available) while in possession of material, non-public information, or engage in any action to take advantage of this information or pass it on to others. In addition, you should discuss this information only with those employees of Allied Universal



who absolutely have a need to know it. These restrictions also apply to information relating to any other company, including customers and vendors, obtained in the course of your employment with Allied Universal.

Information concerning Allied Universal is “material” if it is likely to affect the investment or voting decisions of the average shareholder or investor. Examples of material information include, but are not limited to, major new service contracts, significant personnel changes, marketing strategies, proposed mergers and acquisitions, and financial results or other strategic plans. Information concerning Allied Universal is “non-public” if it has not been made available to the general public through a national news release or other mass media services. In general, non-public information concerning the Company does not become “public” until the close of trading on the second full day following the Company’s widespread public release of information. If you have questions about the above, please call the Security Voice Helpline at (800) 418-6423, extension 571 (English) or 393 (Spanish), or call the General Counsel’s office.

### 3 Respecting property

*We treat company and customer property as worthy of respect. We protect and preserve both and refrain from using it for personal gain.*

#### **Use of resources**

Allied Universal discourages *inappropriate* use of company and/or customer property.

Employees are trusted to act responsibly, reasonably and maturely, and to use good judgment in the use of all Company and customer-provided communications and computing devices, including but not limited to:

- ☐ The Internet
- ☐ All forms of printed and electronic media
- ☐ Copying devices (scanners and copy machines)
- ☐ Telephones
- ☐ Cell phones
- ☐ Portable/wireless PDAs
- ☐ Desktop and laptop computers; and
- ☐ Remote access/dial-up hardware and software devices.

Employees may not use computers to transmit, store, or download materials that are threatening, maliciously false, or obscene. Facilities, equipment, technology and resources are

the property of the Company for business use and to help you do your job. The Company reserves the right, at all times, to review and open all emails, listen to voice mails, and otherwise inspect and review the contents of all computers and other electronic devices.

Property of customers, including but not limited to, computers, documents, information, furniture and other property, is to be respected at all times and not to be utilized in any fashion without the express **written** consent of the customer (either as permitted in the customer agreement or in a separate writing).

#### 4 Avoiding conflict of interest

*While employed with Allied Universal, our loyalty is to the Company. We refrain from any associations or activities that might conflict with the Company's interests or that may be so perceived. We also avoid doing business with competitors and accepting or giving excessive or inappropriate gifts to vendors or customers. We do not take advantage of our association with Allied Universal for personal gain and avoid actions or relationships that might give even the appearance of a conflict of interest.*

#### **Activities and relationships beyond Allied Universal**

It is important to ensure that our outside activities do not in any way conflict with or pose a hazard to Allied Universal. Simple guidelines to follow when determining whether a conflict of interests exists are: First, avoid personal outside activities or associations that might influence your business decisions or your ability to do your job objectively. Also, avoid doing business with competitors or making personal financial investments in competitors, vendors, or customers. Similarly, your family members should not become involved in business ventures with your colleagues since you could benefit from their gain.

If you are not sure whether an outside activity represents a conflict of interest, ask your supervisor or the General Counsel for help.

#### **Entertainment, gifts and gratuities**

Some business entertaining – including meals, social events or training and educational activities – is an accepted business practice at Allied Universal, but the cost and scope of these activities should be reasonable and appropriate. Before accepting or extending invitations for entertainment, you should first check with your company supervisor. It is your responsibility to make business decisions based on what is best for Allied Universal.

Similarly, you should refrain from giving or accepting excessive gifts or lavish entertainment to or from customers, vendors, or other business associates. The value of gifts received or given should not exceed the aggregate value of \$100 per year, unless you have received prior approval from your supervisor. Allied Universal employees should never accept cash gifts from customers or vendors. Stay alert, use common sense, and don't put yourself, the Company, or your associates at risk.

## 5 Obeying the law

*We must always uphold the law while working at Allied Universal. This includes, for example, obeying all state and local licensing regulations governing the Private Security trade and work as a Security Officer. Drug use, fraud, theft, embezzlement, price-fixing, bid-rigging, allocation of customers, and any other illicit activity are grounds for immediate termination and possible prosecution by public authorities.*

## **Regulatory obligations**

Allied Universal's business is regulated by federal, state, and local agencies. In the conduct of our business, the Company must:

- ☐ Ensure it is properly licensed, bonded, and insured to operate as a private security agency, watch, or guard service;
- ☐ Ensure that its Security Officers are properly licensed, trained, equipped, and uniformed, and that all Allied Universal employees neither use illicit drugs nor have disqualifying criminal histories;
- ☐ Conduct its sales and marketing activities ethically and within established laws, regulations and guidelines;
- ☐ Promote a work environment for employees that is safe, ethical, and founded on principles of equal employment and non-discrimination; and
- ☐ Ensure the accuracy of Allied Universal's financial statements and follow other regulations that apply to organizations with public reporting requirements.

Allied Universal is committed to the highest standards of regulatory compliance. As Allied Universal employees, we all play an important role in operating the Company as responsible corporate citizens.

## **Government Services**

Allied Universal serves many different industries and types of clients, including federal, state and local government agencies. As a service provider to government clients, Allied Universal

requires compliance with all applicable laws and regulations applicable to working with governmental agencies and other public authorities.

Special rules and laws apply to gifts and entertainment provided to government employees, and it is Allied Universal's policy to strictly comply with all such restrictions. Employees are **not** permitted to extend (or receive from) gifts or entertainment to government employees unless pre-approved by Allied Universal's General Counsel or Chief Compliance Officer. It is important to note, that even when the receipt or giving of a gift is legal, it might violate Allied Universal's policy.

**Please see the [Guidelines Applicable to United States Government Procurement Activities](#) located on the Government Services SharePoint page which pertains to applicable government clients. Note that both Allied Universal's Code of Ethics and the [Guidelines Applicable to US Government Procurement Activities](#) apply to relationships and potential relationships with government clients.**

#### ***External audits and reviews***

From time to time, Allied Universal will have outside parties on site to perform financial and regulatory audits and reviews of our financial statements, operations, and business practices. These outside parties include independent auditors and federal and state government regulators and inspectors. It is Allied Universal's policy to fully cooperate with these auditors and provide them with all necessary information. During these audits or inspections, you must never conceal, destroy, or alter any documents or give any false or misleading statements to inspectors. Also, you should never provide inaccurate information or obstruct, mislead, or delay communication of information or records about a possible violation of law. If you ever have any questions or concerns about our business practices, consult our General Counsel.

#### ***Illegal activities***

Allied Universal and its employees must not engage, directly or indirectly, in any illegal activities. Such activities include, but are not limited to, fraud, theft, embezzlement, and falsification of records whether paper or electronic, kickback arrangements, use, or distribution. Fraud includes such things as falsifying timecards and expense reports.

A kickback arrangement involves accepting or offering bribes or payoffs intended to induce, influence, or reward favorable decisions of any person or entity, including customers, vendors, or government personnel, in a position to benefit Allied Universal.

Additionally, in most states it is illegal to eavesdrop on, or to record, a telephone conversation of a customer or other third party so Allied Universal employees are prohibited from doing so.

***Antitrust and unfair competition***

Antitrust laws are intended to ensure competition between companies is fair. These laws also protect the public against business competitors who “collude” to unfairly set prices. You could be breaking these laws if you do things as simple as discuss with competitors pricing, terms and conditions of contracts, proposals, territories, or dealings with customers, vendors, or other competitors. Our competitors include other contract private security services companies and background screening companies. You should be particularly sensitive to antitrust rules if you participate in trade associations or other meetings where competitors are likely to be present.

Any violation of the antitrust, competition, and trade practice laws could subject you and the Company to enormous civil penalties and to criminal prosecution. When in doubt, call the General Counsel’s office for advice before acting.

***Political contributions***

All employees must comply with applicable campaign finance and ethics laws. U.S. law and Company policy prohibit the use of Company funds, assets, services or facilities on behalf of a political party except under limited circumstances. Further, Allied Universal is prohibited from compensating or reimbursing any employee, in any form, for any political contribution. The General Counsel must approve, in advance, of any political solicitation made during business hours on or at Company facilities.

Allied Universal’s policy does not discourage or prohibit employees from voluntarily making political contributions, participating in the political process on personal time, or in expressing their personal views on legislative or political matters. Any involvement by you in civic affairs or political activities is a personal choice. If you speak out on public issues, you must make it clear that you are speaking only for yourself and not for the company.

***Sales, marketing and advertising standards***

We are committed to growing the Company through exceptional customer service and a well-trained, highly-professional sales staff. All Allied Universal sales representatives are committed to fair, forthright and legal sales and marketing practices. We present only truthful, non-deceptive information.



Formal policies are in place regarding speaking with the media and posting information on the Internet, including social media sites. Allied Universal's participation in social media sites and other online forums is a corporate effort. Employees who utilize these sites for personal purposes should carefully consider how the information they share impacts the Company if they identify themselves as Allied Universal employees. Only designated company spokespersons are permitted to speak on behalf of the Company. Additionally, use of the Company name or logo is subject to the Corporate Approval process facilitated by the Marketing & Sales Services department. These policies are available on the Company Portal. For more information on these policies, contact your supervisor.

#### ***Copyright law***

We follow state and federal laws pertaining to copyright protection. This includes laws that prohibit duplication of print materials, licensed computer software and other copyright-protected works.

#### ***Recordkeeping and preservation of records***

The law requires that the Company keep books, records and accounts that accurately and fairly reflect all transactions. Allied Universal strictly adheres to regulations, accounting principles and rules, and other criteria designed to ensure full accountability and reliability in its financial statements. It is very important that you as an Allied Universal employee accurately collect, record, and report Company information, including time and attendance records, test and training results, cost or pricing data, invoice amounts, purchase orders, accounts payable, and accounts receivable data.

Employees with responsibility for preparing and maintaining the Company's financial records must comply with Allied Universal's internal accounting control policies, as well as with all laws and regulations governing record preservation.

### ***Part II. Responsibilities and consequences***

#### ***Employee responsibilities***

The Company relies on you to help ensure that these ethics and compliance initiatives remain a priority. This involves upholding all of the standards outlined in these guidelines, as well as reporting any suspected violations of those standards.

If you observe potential violations of the law or the Company Code of Ethics, you should not hesitate to report such issues. Failure to do so could pose a risk to Allied Universal or, in the case of illegal activities or regulatory violations, a risk to you and co-workers. Further, a willful failure to report a violation of the law or the Company Code of Ethics will subject you to discipline, up to and including dismissal.

#### ***Reporting suspected violations***

If you have an ethics or compliance issue to report, talk to your supervisor or your district office regulatory or compliance representative. If these resources are not available, or are unable to assist you, the General Counsel's office is the appropriate point of contact.

You may also report issues through the Security Voice Helpline – a service that allows employees to communicate violations or concerns privately. The Helpline is available 24 hours a day, 7 days a week at (800) 418-6423, extension 571 (English) or 393 (Spanish).

#### ***Resolution, communication and non-retaliation***

Once a problem or suspected violation has been reported, Allied Universal pledges to quickly investigate and resolve the problem. Allied Universal will not retaliate against you or permit retaliation by any employee against you for having made a good faith complaint. Retaliation itself is a violation of this Code of Ethics, with severe consequences for any violation, up to and including termination.

If you are uncomfortable reporting an ethics or compliance violation by name, you may do so anonymously. We ask that should you choose this option, provide as much detail and facts as known regarding the potential violation to provide the Company with information that is actionable.

#### ***Consequences of violations***

Allied Universal commits to thoroughness and fairness when investigating possible ethics or compliance violations. Employees who are deemed to have committed violations will be subject to appropriate disciplinary action up to and including termination. Allied Universal reserves the right to refer potential violations to regulatory and law enforcement authorities, if deemed appropriate under the circumstances.

### Part III. Where to find answers to your questions

#### ***Additional ethics and compliance resources***

The Business Conduct Guidelines are meant to provide an overview of Allied Universal's policies on ethics, compliance and conduct-related issues. This publication is a living document and is subject to change as we refine our policies and procedures and as government agencies and regulators modify their rules. Nothing in the Code of Ethics or these Guidelines constitutes a contract of employment.

If you need more information, or if you have an ethics or compliance related question or concern, the best thing to do is talk to your supervisor or your district office regulatory or compliance representative. These are the best sources when you need help understanding the laws, regulations and practices that affect your work. Calling the Security Voice Helpline, or General Counsel's office is also an option if you wish to seek information on a specific company policy or standard. In addition, employees are encouraged to explore the following resources:

- **Allied Universal's Intranet site:** This site contains information on company policies and procedures and other company standards that affect your work activities.
- **Allied Universal's General Counsel:** Legal and regulatory requirements may often seem complex or confusing. When in doubt, call the General Counsel's Office at (484) 351-1400.

***Call the Security Voice Helpline (800) 418-6423, x571 (English), x393 (Spanish)***